The Saskatchewan Universities Commission

Annual Report
for the fiscal year ended
March 31, 1984

UNIVERSITY OF REGINA

FINANCIAL STATEMENTS

APRIL 30, 1984

OFFICE OF THE PROVINCIAL AUDITOR

REGINA, SASKATCHEWAN

the saskatchewan universities commission

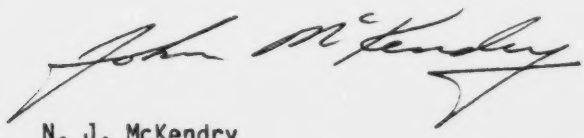
April 17, 1985

The Honourable Gordon Currie
Minister of Advanced Education
and Manpower
Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Mr. Currie:

I have the honour to submit the tenth and final Annual Report of the Saskatchewan Universities Commission, for the fiscal year which ended on March 31, 1984 and the closing audit of August 1, 1983.

Yours truly,



N. J. McKendry
Commissioner

AUDITOR'S REPORT

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the balance sheets of the University of Regina, Capital Fund, Trust and Endowment Funds and Operating Fund as at April 30, 1984 and the following financial statements for the year then ended:

Statement of Equity in Fixed Assets	- Capital Fund
Statement of Changes in Unexpended Funds	- Capital Fund
Statement of Changes in Fund Balances	- Trust and Endowment Funds
Statement of Surplus and Deficit	- Operating Fund
Statement of Income and Expenditure	- Operating Fund

My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the University of Regina as at April 30, 1984 and the results of its operations and the changes in its funds for the year then ended in accordance with the stated accounting policies applied on a basis consistent with that of the preceding year.

W.G. Lutz, F.C.A.,
Provincial Auditor.

Regina, Saskatchewan,
August 23, 1984.

UNIVERSITY OF REGINA

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 1984

1. Summary of Significant Accounting Policies and Reporting Practices

(a) Fund Accounting

The accounts of the University are maintained in accordance with the principles of "fund-accounting" in order that limitations and restrictions placed on the use of available resources are observed. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with activities or objectives specified. Separate accounts are maintained for the Capital Fund, Trust and Endowment Funds and Operating Fund.

(b) Ancillary Enterprises

The University operates five Ancillary Enterprises: Bookstore, College West Residence, Duplicating Services, Food Services and Parking.

Ancillary Enterprises operate on a fee-for-service basis and must be self funding. Charges to departments and related organizations are not deducted from the expenses of the ancillary enterprises, but are treated as operating revenue.

(i) Parking Lot Development Costs

Parking Lot construction costs are capitalized in the Operating Fund and subsequently amortized through the collection of parking fees assessed against the user on the basis of the estimated useful life of the parking lots. The following schedule summarizes operations during the year:

	12 Months Ended April 30, 1984	12 Months Ended April 30, 1983
Investment at beginning of year	$1,069,031	1,049,523
Additions during the year	28,453	19,508
	1,097,484	1,069,031
Accumulated amortization at end of year	639,269	585,891
Unamortized investment at end of year	$ 458,215	483,140

(ii) Equipment

The costs of certain equipment acquired by Ancillary Enterprises have been capitalized and are included as assets in the Operating Fund Balance Sheet. These costs are being recovered from operating revenues of the appropriate Ancillary Enterprise. The following schedule details transactions during the year:

	Duplicating Services		Food Services		Total	
	1984	1983	1984	1983	1984	1983
Balance beginning of year	$245,095	263,574	34,460	30,860	279,555	294,434
Acquisitions	192,011	21,543	7,475	3,600	199,486	25,143
Disposals	22,927	40,022	-	-	22,927	40,022
	414,179	245,095	41,935	34,460	456,114	279,555
Accumulated depreciation, end of year	192,954	156,499	30,385	23,907	223,339	180,406
Undepreciated balance, end of year	$221,225	88,596	11,550	10,553	232,775	99,149

(c) Investments

(i) Short term investments are recorded at cost.

(ii) Bonds and debentures, held in the Operating fund, are recorded at cost. The difference between cost on acquisition and par value is not amortized, but is treated

as income or expense in the year of disposal. Bonds and debentures, held in Trust and Endowment Funds, are recorded at their par value. The difference between cost on acquisition and par value is not amortized, but is treated as income or expense in the year of acquisition.

(iii) Gains or losses on disposal are recorded in the year of disposal.

(iv) Shares of stock acquired other than by purchase are recorded at their market value on the date of acquisition.

(d) Accrual Accounting

In accordance with generally accepted accounting principles, the University utilizes the accrual basis of accounting for additions to, and deductions from, fund balances except that depreciation or amortization is not recorded on fixed assets except as described in Note 1(b)(ii) and vacation pay is not accrued.

(e) Fixed Assets

Property, plant and equipment acquired through the expenditure of capital funds are recorded on the Capital Fund balance sheet at cost and are not depreciated. Certain additional and replacement equipment is acquired through the expenditure of funds provided by the Operating Fund and funds provided by external agencies in support of sponsored research. These acquisitions are reflected as expenditures in the accompanying financial statements and are not recorded as fixed assets.

(f) Inventories

Inventories are valued at the lower of cost and net realizable value which is principally determined by the first in, first out method.

Department	April 30, 1984	April 30, 1983
Bookstore	$ 699,481	585,042
Physical Plant	352,170	288,669
Science Stores and Shops	136,291	123,300
Duplicating Services	58,963	57,382
Food Services	32,006	24,642
Art Gallery Shop	28,620	24,809
Post Office	7,195	4,738
	$1,314,726	1,108,582

(g) Gallery Shop

The costs of certain equipment acquired for the Gallery Shop have been capitalized and are included as assets in the Operating Fund Balance Sheet. These costs are being recovered from operating revenues of the Shop. The following schedule details transactions during the accounting period:

	1984	1983
Balance beginning of year	$ 9,365	7,217
Acquisitions	1,772	2,148
	11,137	9,365
Accumulated depreciation, end of year	5,768	4,515
Undepreciated balance, end of year	$ 5,369	4,850

2. Government Grant

Government grant income as recorded in Statement 3 and 8 was received from the Provincial Department of Advanced Education and Manpower. This income is recognized in accordance with approved funding levels established by the Department. Following is a schedule of payments received and income recognized during the 1983-1984 fiscal year:

	Operating Fund	Capital Fund
Deferred Grant May 1, 1983	$ 140,520	-
Add:		
Payment received 1983-1984	35,109,177	769,200
	35,249,697	769,200
Less:		
Income recognized 1983-1984	35,145,000	769,200
Deferred Grant April 30, 1984	$ 104,697	-

The amounts shown as Deferred Grants at April 30, 1984 will be taken into income in the 1984-1985 fiscal year.

3. Long Term Liability

A 7 1/4% debenture for $2,080,000 was issued to the Canada Mortgage and Housing Corporation for the construction of the College West Residence Building. The debenture is repayable in equal semi-annual payments over 50 years. A total repayment of $155,210 of blended principal and interest is required each year commencing

June 30, 1975 and maturing December 31, 2024. This payment is provided for as a charge to College West Residence Operations. Issue of the debenture was authorized by the Lieutenant Governor in Council under Order in Council No. 861/75.

Following are details of the payments required for the next five fiscal years:

	Interest	Principal	Total
1984-85	$146,687	$ 8,523	$155,210
1985-86	146,057	9,153	155,210
1986-87	145,382	9,828	155,210
1987-88	144.656	10,554	155.210
1988-89	143,877	11,333	155,210

4. Statutory Obligation

On April 1, 1962, the Wascana Centre Authority was constituted a body corporate under the Wascana Centre Act. The Government of Saskatchewan, the City of Regina and the University were named as participating parties.

Under this Act, the University is responsible for an annual payment to the Authority equivalent in amount to fifteen percent of the amount receivable by the city of Regina through a levy of five mills. This payment covers the University's share of the administrative and other costs of the Authority including landscape construction which may be performed on land under the jurisdiction of the Authority. Furthermore, the University has an obligation to the Authority for the cost of landscape construction and landscape maintenance performed on University owned land. Following is information regarding payments made to the Authority as prescribed by the Act during 1983-1984 and an estimate of payments required in 1984-1985:

	May 1, 1983 to April 30, 1984 Actual	May 1, 1984 to April 30, 1985 Estimated
Operating Fund:		
Maintenance - Authority Land	$141,903	154,600
Maintenance - University Land	530,698	570,000
	672,601	724,600
Capital Fund:		
Construction	66,000	56,250
	$738,601	780,850

5. Pension Plans

The University is responsible for the administration of two pension plans, the Non-Academic Pension Plan and the Pension Plan for the Academic and Administrative Employees of the University of Regina. Actuarial evaluations are completed regularly as prescribed by statute and any unfunded pension plan liabilities are the responsibility of the University

An actuarial evaluation of the Pension Plan for the Academic and Administrative Employees of the University of Regina was completed as at December 31, 1981. It reported there was no unfunded liability and that the plan was in a sound financial position.

An actuarial evaluation of the Non-Academic Pension Plan was completed as at January 1, 1984. It reported there was no unfunded liability and that the plan was in a sound financial position.

6. Capital Fund - Due from Operating Fund

The Due from Operating Fund figure consists of a $550,000 loan to the Operating Fund; $4,718 in accrued interest related to this loan, and $19,736 which represents routine interfund transactions. These figures are combined in the statements resulting in $534,982 Due from Operating Fund.

7. Academic and Administrative Computer Acquisition

Included in Instruction Expenditures (Statement 8) is $494,530 and included in Administration Expenditures (Statement 8) is $905,790. The total of $1,400,320 represents expenditures for the Academic and Administrative Computer Acquisition including costs for Site Preparation, Communications, Switching, Training, Academic and Administrative Equipment and related Computer Software.

The Statement of Surplus and Deficit (Statement 7) isolates this $1,400,320. The University expects to recover this amount over the next ten years from Operating Fund funds provided for the purposes of computing.

UNIVERSITY OF REGINA
CAPITAL FUND
BALANCE SHEET
APRIL 30, 1984
(With comparative figures as at April 30, 1983)

STATEMENT 1

	1984	1983
ASSETS		
Current Assets:		
Cash	$ 59,728	31,586
Due from Operating Fund (Note 6)	534,982	683
Accrued interest receivable	-	1,843
Short term investments (Note 1(c))	-	699,201
Accounts Receivable	108,858	-
Total Current Assets	703,568	733,313
Fixed Assets (Note 1(e))		
Sites and improvements	4,622,521	4,414,181
Buildings	39,981,005	39,493,273
Furnishings and equipment	6,547,629	6,395,807
Total Fixed Assets	51,151,155	50,303,261
	$51,854,723	51,036,574
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable	$ 16,012	2,283
Debenture payable - current portion	8,524	7,938
Total Current Liabilities	24,536	10,221
Long Term Liability		
Debenture payable (Note 3)	2,016,832	2,025,356
Unexpended Funds (Statement 3)	687,558	731,032
Equity in Fixed Assets (Statement 2)	49,125,797	48,269,965
	$51,854,723	51,036,574

On behalf of the Board of Governors

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See Accompanying Notes to Financial Statements

UNIVERSITY OF REGINA
CAPITAL FUND
STATEMENT OF EQUITY IN FIXED ASSETS
YEAR ENDED APRIL 30, 1984
(With comparative figures for the year ended April 30, 1983)

STATEMENT 2

	1984	1983
Balance beginning of year	$48,269,965	47,101,957
Add: Expenditure on Fixed Assets		
Sites and improvements	208,340	200,865
Buildings	487,732	668,391
Equipment	151,822	291,360
	847,894	1,160,616
Add: Repayment of Long Term Debt		
Principal (C.M.H.C. Debenture)	7,938	7,392
Total increase during year	855,832	1,168,008
Balance end of year	$49,125,797	48,269,965

See Accompanying Notes to Financial Statements

UNIVERSITY OF REGINA
CAPITAL FUND
STATEMENT OF CHANGES IN UNEXPENDED FUNDS
YEAR ENDED APRIL 30, 1984
(With comparative figures for the year ended April 30, 1983)

STATEMENT 3

	1984	1983
Funds were provided by:		
Provincial Government Grant	$769,200	1,518,000
Interest income	65,220	83,092
Contribution from Operating Fund	7,938	7,392
Miscellaneous	-	852
Total funds provided	842,358	1,609,336
Funds were applied to:		
Increase in fixed assets	847,894	1,160,616
Repayment of long term debt principal	7,938	7,392
Contribution to Operating Fund	30,000	30,000
Total funds applied	885,832	1,198,008
Excess(deficiency) of funds provided over funds applied	(43,474)	411,328
Unexpended funds beginning of year	731,032	319,704
Unexpended funds end of year	$687,558	731,032

See Accompanying Notes to Financial Statements

UNIVERSITY OF REGINA
TRUST AND ENDOWMENT FUNDS
BALANCE SHEET
APRIL 30, 1984
(With comparative figures as at April 30, 1983)

STATEMENT 4

	1984	1983
ASSETS		
Bank	$ 14,571	215,631
Accrued interest receivable	165,172	138,943
Investments (Note 1(c))		
Short term		
(market value 1984 - 270,540; 1983 - 142,426)	268,500	142,100
Long term		
(market value 1984 - 3,502,199; 1983 - 3,363,495)	3,871,199	3,472,844
Agreement for sale	-	34,653
Loans receivable	38,231	20,763
Total Assets	$4,357,673	4,024,934
LIABILITIES AND FUND BALANCES		
Accounts Payable	5,308	-
Due to Operating Fund	18,852	45,710
Fund Balances (Statement 5)		
Non-expendable	1,945,546	1,868,195
Expendable	2,387,967	2,111,029
Total Liabilities and Fund Balances	$4,357,673	4,024,934

On behalf of the Board of Governors

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See Accompanying Notes to Financial Statements

UNIVERSITY OF REGINA
TRUST AND ENDOWMENT FUNDS
STATEMENT OF CHANGES IN FUND BALANCES
YEAR ENDED APRIL 30, 1984
(With comparative figures for the year ended April 30, 1983)

STATEMENT 5

	Expendable	Non-Expendable	1984 Total	1983 Total
Funds were provided by:				
Donations	$ 199,389	67,784	267,173	285,790
Investment income	476,238	9,843	486,081	438,153
Total funds provided	675,627	77,627	753,254	723,943
Funds were applied to:				
Administration expense	349,231	276	349,507	367,149
Grants and awards	49,458		49,458	43,680
Total funds applied	398,689	276	398,965	410,829
Excess of funds provided over funds applied	276,938	77,351	354,289	313,114
Fund Balances beginning of year	2,111,029	1,868,195	3,979,224	3,666,110
Fund Balances end of year	$2,387,967	1,945,546	4,333,513	3,979,224

See Accompanying Notes to Financial Statements

STATEMENT 6

UNIVERSITY OF REGINA
OPERATING FUND
BALANCE SHEET
APRIL 30, 1984
(With comparative figures as at April 30, 1983)

	1984	1983
ASSETS		
Current Assets:		
Accounts receivable	$2,904,822	2,232,305
Due From Trust and Endowment Funds	18,852	45,710
Accrued interest receivable	9,104	39,320
Short term investments (Note 1(c))	539,642	1,224,380
Inventory (Note 1(f))	1,314,726	1,108,582
Prepaid expense	214,268	180,214
Loan Receivable	7,596	2,500
Total Current Assets	5,009,010	4,833,011
Loans Receivable	52,198	46,822
Long term investments (Note 1(c)) (market values: 1984 - 359,125; 1983 - 1,100,133)	397,625	1,051,156
Ancillary Enterprises (Note 1(b)):		
Parking lot development costs	458,215	483,140
Equipment	232,775	99,149
Gallery Shop Equipment (Note 1(g))	5,369	4,850
	$6,155,192	6,518,128
LIABILITIES AND SURPLUS		
Current Liabilities:		
Bank overdraft	$4,376,329	1,302,928
Accounts payable	934,952	1,948,849
Due to Capital Fund	534,982	683
Funds held for Research, Sundry Projects and Student Assistance	2,251,189	2,048,839
Deferred Income:		
Government Grant (Note 2)	104,697	140,520
Tuition Fees	241,887	165,988
Space Rental	83	83
Parking Fees	8,760	21,274
Residence Rental	106	100
Total Current Liabilities	8,452,985	5,629,264
Surplus (deficit) (Statement 7)	(2,297,793)	888,864
	$6,155,192	6,518,128

On Behalf of the Board of Governors

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See Accompanying Notes to Financial Statements

UNIVERSITY OF REGINA
OPERATING FUND
STATEMENT OF SURPLUS AND DEFICIT
YEAR ENDED APRIL 30, 1984

STATEMENT 7

	BALANCE APRIL 30, 1983	NET GAIN (LOSS)	TRANSFERS TO (FROM) APPROPRIATED	BALANCE APRIL 30, 1984
APPROPRIATED SURPLUS:				
Ancillary Enterprises (note 1(b))	$695,818		156,406	852,224
Boiler Replacement Reserve	23,666			23,666
Commitments to Suppliers	186,184		(68,011)	118,173
Academic and Administrative Computer Acquisition (Note 7)	-		(1,400,320)	(1,400,320)
Operating Reserve (Deficit)	(64,120)		(1,877,416)	(1,941,536)
Self Insurance Reserve	47,316		2,684	50,000
	888,864		(3,186,657)	(2,297,793)
UNAPPROPRIATED SURPLUS:				
Operating Fund		(3,343,063)	3,343,063	
Ancillary Enterprises		156,406	(156,406)	
Total Surplus (Deficit)	$888,864	(3,186,657)		(2,297,793)

See Accompanying Notes to Financial Statements

UNIVERSITY OF REGINA
OPERATING FUND
STATEMENT OF INCOME AND EXPENDITURE
YEAR ENDED APRIL 30, 1984
(With comparative figures for the year ended April 30, 1983)

STATEMENT 8

	1984	1983
INCOME		
Provincial Government Grant (Note 2)	$35,145,000	32,644,000
Student Academic Fees	6,302,049	5,342,928
Interest on Investments	159,162	581,375
Miscellaneous Income	712,808	350,621
Outside Organizations	21,823	21,146
Sponsored Research	2,342,692	2,151,688
Total Income	44,683,534	41,091,758
EXPENDITURE		
Instruction (Note 7)	33,208,224	29,320,994
Administration (Note 7)	5,027,620	4,126,838
Plant Maintenance	6,267,483	5,880,253
Student Services and Miscellaneous	1,180,578	725,140
Sponsored Research	2,342,692	2,151,688
Total Expenditure	48,026,597	42,204,913
Loss before Ancillaries	3,343,063	1,113,155
Ancillary Enterprises (Note 1(b))		
Income	4,517,529	4,241,830
Expenditure	4,361,123	4,048,986
Net Gain	156,406	192,844
Net Loss on Operations	$ 3,186,657	920,311

See Accompanying Notes to Financial Statements

UNIVERSITY OF SASKATCHEWAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED APRIL 30, 1984

OFFICE OF THE PROVINCIAL AUDITOR

REGINA, SASKATCHEWAN

AUDITOR'S REPORT

To the Members of the Legislative Assembly
of the Province of Saskatchewan

I have examined the balance sheets of the University of Saskatchewan, Capital Fund, Operating Fund and Trust Fund as at April 30, 1984 and the following financial statements for the year then ended:

Statement of Equity in Fixed Assets	- Capital Fund
Statement of Changes in Unexpended Funds	- Capital Fund
Statement of Surplus	- Operating Fund
Statement of Income and Expenditure	- Operating Fund
Statement of Changes in Unexpended Funds	- Trust Fund

My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the University of Saskatchewan as at April 30, 1984 and the results of its operations and the changes in its funds for the year then ended in accordance with the stated accounting policies applied on a basis consistent with that of the preceding year.

W.G. Lutz, F.C.A.,
Provincial Auditor.

Regina, Saskatchewan,
July 25, 1984

UNIVERSITY OF SASKATCHEWAN

BALANCE SHEET

As at April 30,1984

(with comparative figures as at April 30, 1983)

CAPITAL FUND

	1984	1983
ASSETS		
CURRENT ASSETS		
Investments - (Note 2(c))	$ 6,792,000	$ 4,375,000
Accrued interest receivable	16,336	22,621
Accounts receivable	303,500	3,826
Prepaid expenses	49,976	6,304
Due from Trust Fund	1,384,150	1,345,581
	8,545,962	5,753,332
FIXED ASSETS (Note 2(f))		
Sites and improvements	11,822,361	10,500,480
Buildings	156,423,369	150,118,954
Furnishings and equipment	24,640,788	23,574,861
	192,886,518	184,194,295
	$201,432,480	$189,947,627

	1984	1983
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Bank overdraft	$ 465,969	$ 207,542
Accounts payable	76,517	95,861
Accrued interest payable	140,904	141,520
Due to (from) Operating Fund	354,464	(141,341)
	1,037,854	303,582
LONG-TERM LIABILITIES		
Canada Mortgage and Housing Corporation Debentures payable (Note 4(a))	3,268,686	3,288,487
Province of Saskatchewan - Loan payable - McEown Park - Unit IV (Note 4(b))	1,740,000	1,740,000
Less: Equity in related Sinking Fund	497,158	416,901
	1,242,842	1,323,099
Due to Province of Saskatchewan (Note 4(c))	522,813	529,184
Total Long-term Liabilities	5,034,341	5,140,770
UNEXPENDED CAPITAL FUNDS -Statement 3	7,508,108	5,449,750
EQUITY IN FIXED ASSETS -Statement 2	187,852,177	179,053,525
	$201,432,480	$189,947,627

The accompanying notes form an integral part of these Financial Statements.

Statement 2

UNIVERSITY OF SASKATCHEWAN
STATEMENT OF EQUITY IN FIXED ASSETS
For the Year Ended April 30, 1984
(with comparative figures for the year ended April 30, 1983)
CAPITAL FUND

	Year Ended April 30, 1984	Year Ended April 30, 1983
Balance, beginning of period	$179,053,525	$172,952,960
Add:		
Expenditures on fixed assets		
- sites and improvements	1,321,880	587,068
- buildings	6,304,416	3,557,019
- furnishings and equipment	1,065,927	1,839,257
Net expenditures on fixed assets - Statement 3	8,692,223	5,983,344
Add:		
Repayment of long-term debt principal -		
Canada Mortgage and Housing Corporation Debentures	19,801	18,507
Reduction of Due to Province of Saskatchewan Loan	6,371	6,057
Sinking Fund instalment plus interest -		
Province of Saskatchewan Loan - McEown Park - Unit IV	80,257	92,657
	106,429	117,221
Balance, end of period - Statement 1	$187,852,177	$179,053,525

The accompanying notes form an integral part of these Financial Statements.

Statement 3

UNIVERSITY OF SASKATCHEWAN

STATEMENT OF CHANGES IN UNEXPENDED CAPITAL FUNDS

For the Year Ended April 30, 1984

(with comparative figures for the year ended April 30, 1983)

	Year Ended April 30, 1984			Year Ended April 30, 1983		
	General Capital Funds	Other Capital Funds	Total	General Capital Funds	Other Capital Funds	Total
Balance, beginning of period	$4,016,588	$1,433,162	$ 5,449,750	$2,960,187	$1,202,125	$4,162,312
Add:						
Government grants - Province of Saskatchewan (Note 3)	4,255,575	450,000	4,705,575	6,569,766	400,000	6,969,766
Interest income earned on Sinking Fund	45,457		45,457	57,857		57,857
Interest income earned	234,109	244,449	478,558	485,148	173,616	658,764
Contribution from Operating Fund						
- Canada Mortgage and Housing Corporation	20,282		20,282	18,956		18,956
- Province of Saskatchewan Loans	41,305		41,305	40,984		40,984
Other recoveries and transfers	571,678	1,316,830	1,888,508	523,724	34,127	557,851
Revenue from sale of land		5,574,116	5,574,116			
	5,168,406	7,585,395	12,753,801	7,696,435	607,743	8,304,178
Deduct:						
Net expenditures on fixed assets - Statement 2	7,107,230	1,584,993	8,692,223	5,798,048	185,296	5,983,34.
Repayment of long-term debt principal						
- Canada Mortgage and Housing Debentures	19,801		19,801	18,507		18,507
- Reduction of Due to Province of Saskatchewan	6,371		6,371	6,056		6,056
Other transfers and expenditures	70,431	1,278,785	1,349,216		191,410	191,410
Sinking Fund Instalment (Note 4(b))	34,800		34,800	34,800		34,800
Sinking Fund interest earnings reinvested	45,457		45,457	57,857		57,857
Meewasin Valley Authority payments (Note 9)	547,575		547,575	724,766		724,766
	7,831,665	2,863,778	10,695,443	6,640,034	376,706	7,016,740
Balance, end of period - Statement 1	$1,353,329	$6,154,779	$ 7,508,108	$4,016,588	$1,433,162	$5,449,750

The accompanying notes form an integral part of these Financial Statements.

Statement 4

UNIVERSITY OF SASKATCHEWAN
BALANCE SHEET
As at April 30, 1984
(with comparative figures as at April 30, 1983)

OPERATING FUND

		1984	1983
ASSETS			
CURRENT ASSETS			
Cash		$ 120,474	$ 48,798
Investments (Note 2(d))			
- short term	$19,500,000		
- long term (market value $115,787)	150,017	19,650,017	19,910,007
Accrued interest receivable		107,914	93,115
Accounts receivable	8,230,704		
Less: Allowance for doubtful accounts	281,866	7,948,838	6,672,805
Inventories (Note 2(e))		3,229,025	2,959,818
Due from Trust Fund		4,746,778	1,107,033
Due from (to) Capital Fund		354,464	(141,341)
Prepaid expenses		344,820	341,184
		36,502,330	30,991,419
INVESTMENT IN WHOLLY-OWNED SUBSIDIARY			
Systems Enterprise Developments Ltd. (Note 2(h))		590,139	348
DEFERRED CHARGES (Note 2(g))			
Unamortized parking lot development costs		334,550	284,552
Unamortized equipment costs		324,407	342,005
		658,957	626,557
		$37,751,426	$31,618,324
LIABILITIES AND SURPLUS			
CURRENT LIABILITIES			
Bank overdraft		$ 5,683,801	$ 4,316,485
Accounts payable		4,525,718	4,131,448
Funds held for research, sundry projects, and student assistance		19,959,513	16,298,895
Deferred income			
-Prepaid Provincial Government Grant (Note 3)	$342,889		
-Other	720,491	1,063,380	975,218
		31,232,412	25,722,046
SURPLUS - Statement 5			
General surplus - appropriated		6,312,565	6,274,525
Systems Enterprise Developments Ltd. surplus (deficit)		206,449	(378,247)
		6,519,014	5,896,278
		$37,751,426	$31,618,324

The accompanying notes form an integral part of these Financial Statements.

Statement 5

UNIVERSITY OF SASKATCHEWAN

STATEMENT OF SURPLUS

For the Year Ended April 30, 1984

OPERATING FUND

	Balance May 1, 1983	Transfer Net Income (Loss)	To (From) Appropriated	Balance April 30, 1984
GENERAL SURPLUS				
APPROPRIATED				
Ancillary Enterprises (Note 2(c))	$2,477,004		342,646	2,819,650
Appraisal of buildings reserve	10,133			10,133
Audio Visual Services reserve	3,160		52,936	56,096
Commitments to suppliers	1,034,763		381,707	1,416,470
Equalization of group insurance reserve	1,749		42,105	43,854
Office Services equipment replacement reserve	1,513		(1,513)	
Operating reserve	2,746,203		(779,841)	1,966,362
	6,274,525		38,040	6,312,565
UNAPPROPRIATED				
Operating Fund		(304,606)	304,606	
Ancillary Enterprises		342,646	(342,646)	
		38,040	(38,040)	
SYSTEMS ENTERPRISE DEVELOPMENTS LTD. SURPLUS (DEFICIT) (Note 2(h))	(378,247)	584,696		206,449
Total Surplus - Statement 4	$5,896,278	$622,736		$6,519,014

The accompanying notes form an integral part of these Financial Statements.

Statement 6

UNIVERSITY OF SASKATCHEWAN

STATEMENT OF INCOME AND EXPENDITURE

For the Year Ended April 30, 1984

(with comparative figures for the year ended April 30, 1983)

OPERATING FUND

	Year Ended April 30, 1984	Year Ended April 30, 1983
INCOME		
Provincial Government Grant (Note 3)	$ 92,855,295	$ 86,580,000
Student academic fees	12,750,945	11,252,010
Services and products	5,035,537	4,809,092
Interest on investments	2,209,903	2,925,568
General gifts	172,908	218,087
Miscellaneous income	267,814	222,480
Sponsored research and other grants		
Government and outside organizations	28,612,052	25,743,531
Clinicians' earnings pool	271,321	137,895
Total income	142,175,775	131,888,663
EXPENDITURE		
Instruction	90,107,788	84,162,977
Administration	5,831,394	5,456,933
Physical Plant	14,600,119	13,670,732
Miscellaneous	2,932,525	2,291,938
Sponsored research and other grants expended	28,883,373	25,881,426
Cost centres (Note 2(c))	125,182	44,796
Total expenditure	142,480,381	131,508,802
Excess of (expenditure over income) income over expenditure before the under-noted items - Statement 5	(304,606)	379,861
Ancillary enterprises (Note 2(c))		
Income	12,998,220	12,072,793
Expenditure	12,655,574	11,721,427
Net income on ancillary enterprises - Statement 5	342,646	351,366
Net gain (loss) Systems Enterprise Developments Ltd. - Statement 5 (Note 2(h))	584,696	(569,480)
Total excess of income over expenditure	$ 622,736	$ 161,747

The accompanying notes form an integral part of these Financial Statements.

Statement 7

UNIVERSITY OF SASKATCHEWAN

BALANCE SHEET

As at April 30, 1984

(with comparative figures as at April 30, 1983)

TRUST FUND

		1984	1983
ASSETS			
Cash		$ 126,859	$ 7,974
Investments (Note 2(d))			
- short term		15,830,840	10,600,000
- long term (market value 1984 -$9,719,606 1983 - $8,763,099)		10,150,339	8,324,178
Accrued interest receivable		414,751	352,752
Accounts receivable	131,475		
Less: Allowance for doubtful accounts	23,921	107,554	187,259
Loans receivable		200,000	100,000
Loans receivable from students	131,464		
Less: Allowance for loans doubtful of collection	7,252	124,212	138,445
Miscellaneous assets		311,701	235,668
		$27,266,256	$19,946,276
LIABILITIES			
Due to Operating Fund		4,746,778	$ 1,107,033
Due to Capital Fund		1,384,150	1,345,581
Trust Fund balances			
- expendable - Statement 8		14,908,493	12,942,288
- non-expendable - Statement 8		6,226,835	4,551,374
		$27,266,256	$19,946,276

The accompanying notes form an integral part of these Financial Statements.

Statement 8

UNIVERSITY OF SASKATCHEWAN

STATEMENT OF CHANGES IN UNEXPENDED TRUST FUNDS

For the Year Ended April 30, 1984

(with comparative figures for the year ended April 30, 1983)

TRUST FUND

	EXPENDABLE		NON-EXPENDABLE	
	Year Ended April 30, 1984	Year Ended April 30, 1983	Year Ended April 30, 1984	Year Ended April 30, 1983
Balance, beginning of period	$12,942,288	$11,575,754	$4,551,374	$4,259,406
Add:				
Donations received	3,934,571	3,322,556	1,630,380	172,007
Other income	2,307,165	2,440,905	92,154	92,469
Collection of doubtful loans			976	852
	6,241,736	5,763,461	1,723,510	265,328
Deduct:				
Grants and awards	4,152,503	4,299,924	17,085	19,143
Administration Costs	77,538	46,031	4,453	3,041
Allowance for loans doubtful of collection			4,793	2,148
Net interfund adjustment of capital balances	(21,718)	50,972	21,718	(50,972)
Capital adjustment, due to Operating Fund	67,208			
	4,275,531	4,396,927	48,049	(26,640)
Balance, end of period - Statement 7	$14,908,493	$12,942,288	$6,226,835	$4,551,374

The accompanying notes form an integral part of these Financial Statements.

UNIVERSITY OF SASKATCHEWAN
NOTES TO FINANCIAL STATEMENTS
April 30, 1984

1. Change in Constitution

The Saskatchewan Universities Commission was incorporated as a Crown agency under the Universities Commission Act, 1974, with certain powers in respect to the Universities in the province. Through legislation which came into force on August 1, 1983, the Universities Commission Act, 1974 was repealed and all assets and liabilities of the Commission were assumed by the Crown.

The relevant sections of The University of Saskatchewan Act were also amended to give effect to this aspect of the reorganization of the structure of the Government of Saskatchewan.

2. Summary of Significant Accounting Policies and Reporting Practices

a) Fund Accounting

The accounts of the University are maintained in accordance with the principles of "fund accounting" in order that limitations and restrictions placed on the use of available resources are observed. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

For financial reporting purposes the funds with similar characteristics have been combined into three funds: Capital Fund, Trust Fund, and Operating Fund.

b) Accrual Accounting

In accordance with generally accepted accounting principles, the University utilizes the accrual basis of accounting for additions to and deductions from fund balances except that no provision is made in the financial statements for depreciation on fixed assets in the Capital Fund or for accrued vacation pay.

c) Ancillary Enterprises

i) Under the terms of the University's Funding Policy for Ancillary Enterprises the following services are identified as Ancillary Enterprises: Bookstore, Emma Lake Residence, Food Services, Parking, Printing Services, Residences and Vending Services.

The policy requires that the operation of Ancillary Enterprises be self-funding and that the University should only transfer funds to an Ancillary Enterprise from its Operating Fund budget after consultation with Government.

The operations of the Ancillary Enterprises named above are reported in these financial statements in accordance with the policy as implemented.

ii) Cost Centres

The group of service operations other than the services defined as Ancillary Enterprises above have been categorized and reported in these financial statements as Cost Centres.

For the fiscal year ended April 30, 1984 the net expenditure for the operation of Cost Centres amounted to $125,182 (1983 - $44,796) following total cost recoveries of $11,050,628 (1983- $10,430,048) on gross expenditures of $11,175,810 (1983 - $10,474,844).

d) Investments

Investments exclusive of bonds are recorded at cost; investments received by bequest or gift are recorded at market value at the date of acquisition. Bonds are recorded at par value with any difference between par value and cost included in (or deducted from) interest income of the respective fund in the year of acquisition.

e) Inventories

Inventories of materials and supplies are valued at the lower of cost and net realizable value which is principally determined by the first in first out method. Feedlot cattle are stated at market value and all other inventories of livestock held primarily as experimental animals are valued at the lower of cost or market value.

f) Fixed Assets

Property, plant and equipment are recorded as fixed assets in the Capital Fund balance sheet at cost and are not depreciated. The cost of acquiring new properties, constructing new buildings, rehabilitating existing buildings, initially equipping these new and rehabilitated buildings and acquiring certain additional or replacement equipment is also added to these fixed asset accounts.

Certain other additional and replacement equipment is acquired through the expenditure of funds provided by the Operating Fund. The costs of these acquisitions are included as part of the expenditures in the Operating Fund Statement of Income and Expenditure and are not recorded as fixed assets.

g) Deferred Charges

i) Unamortized Parking Development Costs

Parking development costs, including capital costs for both

Reserved Parking and Visitor and Pay Parking are capitalized in the Operating Fund and subsequently amortized against the parking Ancillary Enterprise revenues on the basis of the estimated useful life of the particular assets.

The following schedule summarizes the transactions during the fiscal year:

	Year Ended April 30, 1984	Year Ended April 30, 1983
Reserved Parking - Main Campus		
Unamortized costs - beginning of year	$143,581	$158,059
Additions during the fiscal year	96,208	
	239,789	
Amortization during the fiscal year	(19,991)	(14,478)
Unamortized costs - end of year	219,798	143,581
Reserved Parking - McEown Park		
Unamortized costs - beginning of year	70,446	79,296
Amortization during the fiscal year	(8,850)	(8,850)
Unamortized costs - end of year	61,596	70,446
Visitor and Pay Parking		
Unamortized costs - beginning of year	70,525	66,805
Additions during the fiscal year		24,409
		91,214
Amortization during the fiscal year	(17,369)	(20,689)
Unamortized costs - end of year	53,156	70,525
Total unamortized costs - end of year	$334,550	$284,552

ii) Unamortized Equipment Costs

The costs of equipment purchased for certain of the University's Ancillary Enterprises (Printing Services, Food Services and Vending Services) have been deferred and are included as assets in the Operating Fund balance sheet. These costs, together with an annual interest carrying charge, are recovered from operating revenues of the respective Ancillary Enterprise in accordance with the amortization provisions embodied in the approved Funding Policy for Ancillary Enterprises (Note 2(c)). During the fiscal

year ended April 30, 1984, net equipment costs of $143,013 (1983 - $53,967) were added to the deferred account and $65,277 was amortized by charges to ancillary operations (1983 - $51,786).

In the 1983-84 fiscal year no additional acquisition costs (1983 - $198,836) for the purchase of equipment for expansion of the University's Computing facilities were incurred and added to the deferred account. The remaining deferred equipment costs, together with an annual interest carrying charge, are to be recovered by a charge against Operating Fund revenues. In the 1983-84 fiscal year $80,000 (1983 - $110,000) was amortized by a charge to the Operating Fund.

h) Investment in Wholly-Owned Subsidiary - Systems Enterprise Developments Ltd.

Systems Enterprise Developments Ltd., a company continued under The Saskatchewan Business Corporations Act (1977) is a wholly-owned subsidiary and holding company of the University. The corporation qualifies as a tax exempt organization under Section 149 of The Income Tax Act.

The company accounts for its investment in SED Systems Inc. using the cost method of accounting. Prior to January 31, 1984, the company accounted for its investment on the equity basis whereby the investment was initially recorded at cost and adjusted to recognize the company's share of earnings or losses and reduced by dividends received.

As at March 31, 1983, the investment in SED Systems Inc. was written down to a nominal value and accumulated losses in excess of the carrying value of the investment were not recognized in the financial statements.

Under an agreement dated November 15, 1983, SED Systems Inc. appointed Pemberton Houston Willoughby Incorporated as its agent to offer and sell 1,500,000 units, each unit consisting of one common share and a purchase option for one-third of a common share, at a price of $4.50 per unit. At January 31, 1984, the agent had sold 1,500,000 units. SED Systems Inc. issued a further 156,907 common shares between March 31, 1983 and January 31, 1984, resulting in an overall reduction in the company's investment in SED Systems Inc. from 38.19% to 16.86%. This reduction in equity interest of 21.33% resulted in a gain to the company of $742,726. As Systems Enterprise Developments Ltd. no longer exercises significant influence over SED Systems Inc., the investment is accounted for using the cost method from February 1, 1984.

Accordingly, the investment by Systems Enterprise Developments Ltd. in SED Systems Inc. for the corporate fiscal year ended March 31, 1984 is summarized as follows:

	1984	1983
Balance, beginning of year	$ 1	$ 567,555
Equity in loss of SED Systems Inc. for year	(152,880)	(567,554)
Increase in equity as a result of capital transaction by SED Systems Inc.	742,726	-
Balance at end of year (16.86% ownership percentage: 1983 - 38.19%)	$ 589,847	$ 1

The University does not consider it appropriate to consolidate the accounts of the company Systems Enterprise Developments Ltd. with those of the University of Saskatchewan and accordingly the University accounts for its investments in this wholly-owned subsidiary in accordance with the equity method.

Under this method, and based on the audited financial statements of Systems Enterprise Developments Ltd. for its fiscal year ended March 31, 1984 the University's investment in the company consists of 510,000 no par value shares together with loans advanced to the company on the security of promissory notes.

The investment is summarized and valued as follows:

	April 30, 1984	April 30, 1983
Investment in shares at original cost plus contributed surplus	$ 524,988	$ 524,988
(Deficit) Retained earnings of Systems Enterprise Developments Ltd.		
Balance, beginning of year	(531,572)	37,908
Add: Net loss on operations during year	(5,150)	(1,926)
Equity in net loss of SED Systems Inc.	(152,880)	(567,554)
Gain on issuance of shares by SED Systems Inc.	742,726	-
Balance, end of year	53,124	(531,572)
Total carrying value of investment in shares	578,112	(6,584)
Add: Loans receivable	9,200	5,000
Accrued interest receivable	2,827	1,932
Total investment	$590,139	$ 348

3. Provincial Government Grants

Provincial government grant income as recorded in statements 3 and 6 is recognized as income in accordance with approved funding levels established with Government. The following is a schedule of payments received and income recognized during the 1983-84 fiscal year:

	Operating Fund	Capital Fund	Total
Deferred grant - May 1, 1983	$ 437,044	$ -	$ 437,044
Add: Payments received 1983-84 fiscal year	92,761,140	4,255,575	97,016,715
	93,198,184	4,255,575	97,453,759
Less: Income recognized 1983-84 fiscal year	92,855,295	4,255,575	97,110,870
Deferred grant - April 30, 1984	$ 342,889	-	$ 342,889

The amount shown as Deferred Grant as at April 30, 1984 will be taken into income in the 1984-85 fiscal year.

4. Long-Term Debt

a) Canada Mortgage and Housing Corporation - 6 7/8% Debentures Due May 1, December 1, 2020 $3,268,686

This liability represents the remaining principal balance payable on two loans totalling $3,450,000 originally borrowed from Canada Mortgage and Housing Corporation in 1970 to finance construction of the McEown Park Student Housing Complex.

These loans are repayable in equal semi-annual instalments of blended principal and interest over 50 years. The total annual payments of $245,550 are recovered in their entirety from the operating revenues of the Student Residences.

Following are details of the payments required for the next five fiscal years:

	Interest	Principal	Total
1984-85	224,364	21,186	245,550
1985-86	222,883	22,667	245,550
1986-87	221,297	24,253	245,550
1987-88	219,601	25,949	245,550
1988-89	217,787	27,763	245,550

b) Province of Saskatchewan 9.14% Loan
Due January 5, 1996 $1,242,842

This liability represents the net balance payable, after deduction of equity in a related Sinking Fund of $497,158 at April 30, 1984 (April 30, 1983 - $416,901) on a loan of $1,740,000 originally borrowed from the Saskatchewan Universities Commission in 1976 to finance construction of an additional (fourth) high-rise apartment building within the McEown Park Student Housing Complex.

Upon repeal of The Universities Commission Act, 1974 (Note 1) this asset of the Saskatchewan Universities Commission was assumed by the Crown.

The terms of the loan require payment on a semi-annual basis, of the periodic interest due on the principal sum borrowed plus the payment of an annual instalment to the Province of Saskatchewan for investment in a Government administered Sinking Fund established to provide for repayment of the loan principal on maturity date. These payments totalling $193,836 per year are recovered in their entirety from the operating revenues of the Student Residences.

Over the next five years the annual payment by the University to the Province for investment in the form of sinking fund instalment will amount to $34,800 per year.

c) Due to Province of Saskatchewan $522,813

As part of the original arrangements for repayment of the loan to Canada Mortgage and Housing Corporation, it was agreed that $600,000 of the principal portion would be recovered from the University of Saskatchewan by charges to the Residence and Food Service operations of $33,410 per year.

The balance of this loan which was previously payable to the Saskatchewan Universities Commission, and which has now been assumed by the Provincial Government (Note 1) is $522,813 as at April 30, 1984 (April 30, 1983 - $529,184).

Following are details of the payments required for the next five fiscal years:

	Interest	Principal	Total
1984-85	26,708	6,702	33,410
1985-86	26,360	7,050	33,410
1986-87	25,994	7,416	33,410
1987-88	25,610	7,800	33,410
1988-89	25,205	8,205	33,410

5. Unfunded Pension Liability

a) Revised Academic Pension Plan

An actuarial valuation of the plan as at December 31, 1982 indicated that the fund is in a very strong position to meet its statutory obligations with an accrued surplus of $12.69 million, prior to the establishment of normal reserves provided for within the terms of the plan.

In accordance with the requirements of the terms of the plan the University Board of Governors, on the advice of the Actuary authorized the use of a portion of the surplus in excess of the established reserve balances to fund improvements to the pension plan and benefits for retired pensioners.

b) Non-Academic Pension Plan

An actuarial valuation of the Non-Academic Pension plan as at December 31, 1980 indicated an accrued surplus of $4,520,309 exists in the financial position of the plan at that date. This assumes that the provisions of the plan are amended to bring them in line with the new requirements of The Pension Benefits Act of Saskatchewan.

The University Board of Governors, on the advice of the Actuary authorized the establishment of a stabilization reserve within the plan and the improvement of benefits for retired pensioners.

An actuarial valuation of the Non-Academic Pension Plan as at December 31, 1983 is presently in the process of being prepared.

6. Capital Commitments

The estimated costs of contractual commitments to complete major capital projects in progress as at April 30, 1984 is approximately $12,435,672 (April 30, 1983 - $1,525,553).

7. Reclassification of Comparative Figures

Certain 1983 comparative figures have been reclassified to conform with the financial statement presentation adopted for 1984.

8. Related Party Transactions

Related parties to the University are Saskatchewan's Crown controlled Departments, Agencies and Corporations. Transactions with these parties are recorded at normal market values.

9. Statutory Obligation

On September 4, 1979, the Meewasin Valley Authority was constituted a body corporate under the provisions of The Meewasin Valley Authority Act. The Government of Saskatchewan, the City of Saskatoon and the University of Saskatchewan are named as participating parties.

Under this Act, the University is responsible for an annual payment to the Authority of a sum equivalent to twenty nine and one-third percent of the amount receivable by the City through a levy of four mills on the assessments of lands and buildings in the taxation year immediately preceeding the fiscal year for which the sum is required. This payment covers the University's share of the administrative and other costs of the Authority including construction which may be performed on land under the jurisdiction of the Authority.

The following is information regarding payments made to the Authority as prescribed by the Act during 1983-1984 and an estimate of payments required in 1984-1985:

Source	May 1, 1983 to April 30, 1984 Actual	May 1, 1984 to April 30, 1985 Estimated
University Capital Fund	$ 547,575	$ 569,418

SASKATCHEWAN UNIVERSITIES COMMISSION

FINANCIAL STATEMENTS

For the Period Ended August 1, 1983

OFFICE OF THE PROVINCIAL AUDITOR

REGINA, SASKATCHEWAN

AUDITOR'S REPORT

To the Members of the Legislative Assembly
Province of Saskatchewan

I have examined the balance sheets of the Operating Fund and Debt Service and Sinking Fund of the Saskatchewan Universities Commission as at August 1, 1983 and the following financial statements for the period then ended:

Equity in fixed assets	- Operating Fund
Surplus	- Operating Fund
Deficit	- Debt Service and Sinking Fund
Income and Expenditure	- Operating Fund
Changes in Funds	- Debt Service and Sinking Fund

My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Saskatchewan Universities Commission as at August 1, 1983 and the results of its operations for the period then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

I have also examined the balance sheets of the Operating Fund and Debt Service and Sinking Fund of the Saskatchewan Universities Commission, at the close of business and prior to coming into force of The Universities Commission Repeal Act and the consequent vesting of assets and assumption of liabilities by the Crown. In my opinion, these balance sheets present fairly the financial position of the Saskatchewan Universities Commission at the close of business on July 31, 1983 in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

W. G. Lutz

Regina, Saskatchewan,
January 5, 1984.

W. G. Lutz, F.C.A.,
Provincial Auditor.

Statement 1

SASKATCHEWAN UNIVERSITIES COMMISSION

OPERATING FUND

BALANCE SHEET (Note 1)

ASSETS

	As at August 1 1983 (Note 2(ii))	Close Of Business July 31 1983 (Note 2(i))	As at March 31 1983 (Note 2(i))
Current			
Cash	$ -	$ 308	$ 8,969
Short-term investments (Note 2(i)(b))	-	-	284,000
Accrued interest	-	-	5,357
Accounts receivable	-	-	91
Prepaid expenses	-	-	5,075
Total current assets	-	308	303,492
Fixed			
Furniture and equipment (Note 2(i)(c))	-	54,718	54,718
	$ -	$55,026	$358,210

LIABILITIES

Current			
Accounts payable	$ -	$ -	$ 33,748
Total current liabilities	-	-	33,748
Equity in fixed assets (Statement 3)	-	54,718	54,718
Surplus (Statement 4)	-	308	269,744
	$ -	$55,026	$358,210

(See accompanying notes to financial statements)

Statement 2

SASKATCHEWAN UNIVERSITIES COMMISSION
DEBT SERVICE AND SINKING FUND
BALANCE SHEET (Note 1)

ASSETS

	As at August 1 1983 (Note 2(i))	Close of Business July 31 1983 (Note 2(ii))	As at March 31 1983 (Note 2(ii))
Current			
Cash	$ -	$ 285	$ 429
Short-term investments (Note 2(i)(b))	-	79,000	68,500
Accrued interest receivable	-	16,421	46,498
	-	95,706	115,427
Long term			
Loan receivable from University of Saskatchewan (Note 5)	-	1,312,103	1,328,724
Recovery receivable - University of Saskatchewan (Note 4)	-	526,002	529,184
Unamortized debenture discount (Note 2(i)(d))	-	84,392	87,065
	-	1,922,497	1,944,973
Debenture Sinking Fund (Notes 3 and 6)			
Cash	-	18,472	17,392
Investments (Note 2(i)(b)) (Market value $4,724,116; 1983 $4,515,827)	-	5,192,000	4,947,000
Accrued interest receivable	-	162,400	167,551
	-	5,372,872	5,131,943
	$ -	$7,391,075	$7,192,343

LIABILITIES

Current			
Accounts Payable	$ -	$ 6,582	$ -
Accrued interest payable	-	173,997	291,465
	-	180,579	291,465
Long-term debt			
Sinking fund debentures (Note 3)	-	8,000,000	8,000,000
CMHC debenture (Note 4)	-	2,405,784	2,420,167
Provincial government loan (Note 5)	-	1,312,103	1,328,724
	-	11,717,887	11,748,891
Deficit (Statement 5)	-	(4,507,391)	(4,848,013)
	$ -	$7,391,075	$7,192,343

(See accompanying notes to financial statements)

Statement 3

SASKATCHEWAN UNIVERSITIES COMMISSION

OPERATING FUND

STATEMENT OF EQUITY IN FIXED ASSETS (Note 1)

	For the Four Month Period Ended August 1, 1983	For the Year Ended March 31, 1983
Balance at beginning of period	$ 54,718	$33,813
Furniture and equipment (Note 2(i)(c)) Additions	-	20,905
Balance	54,718	54,718
Transfer of equity on dissolution (Note 9)	(54,718)	-
Balance at end of period	$ -	$54,718

(See accompanying notes to financial statements)

Statement 4

SASKATCHEWAN UNIVERSITIES COMMISSION

OPERATING FUND

STATEMENT OF SURPLUS (Note 1)

For the 4 month Period Ended August 1, 1983

	Appropriated Surplus			
	Planning Studies	Capital (University of Saskatchewan)	Un-Appropriated Surplus	Total Surplus
Retained surplus, beginning of period	$ 104,024	$ 62,000	$ 103,720	$ 269,744
Transfers to (from)	(104,024)	(62,000)	166,024	-
Net expenditure	-	-	(269,436)	(269,436)
Surplus	-	-	308	308
Transfer of surplus on dissolution (Note 9)	-	-	(308)	(308)
Balance, end of period to Statement 1	$ -	$ -	$ -	$ -

(See accompanying notes to financial statements)

Statement 5

SASKATCHEWAN UNIVERSITIES COMMISSION

DEBT SERVICE AND SINKING FUND

STATEMENT OF DEFICIT (Note 1)

	For the Four Month Period Ended August 1, 1983	For the Year Ended March 31, 1983
Balance, beginning of period	$ 4,848,013	$5,506,898
Add:		
Equity instalments - University of Saskatchewan (Notes 4 and 5)	19,803	99,262
Amortization of debenture discount (Note 2(d))	2,674	8,023
	4,870,490	5,614,183
Deduct:		
Repayment of long-term debt principal Canada Mortgage and Housing Corporation 5 1/8% debenture payable	14,383	27,697
Increase in equity in Provincial government sinking funds	16,621	93,205
Increase in debenture sinking fund assets	240,930	633,154
Excess of funds (Statement 7)	91,165	12,114
	363,099	766,170
Deficit	4,507,391	4,848,013
Transfer of deficit on dissolution (Note 9)	(4,507,391)	-
Balance, end of period to Statement 2	$ -	$4,848,013

(See accompanying notes to financial statements)

Statement 6

SASKATCHEWAN UNIVERSITIES COMMISSION

OPERATING FUND

STATEMENT OF INCOME AND EXPENDITURE (Note 1)

	For the Four Month Period Ended August 1, 1983	For the Year Ended March 31, 1983
Income		
Government grants		
Operating - Universities	$52,579,800	$117,936,000
- Commission	162,000	648,000
Capital	2,200,415	5,825,000
Heritage Fund		
Engineering Building	-	2,000,000
Veterinary College	-	140,000
Geology Building	-	150,000
	54,942,215	126,699,000
Interest	4,797	39,507
Other	148	110
	54,947,160	126,738,617
Expenditure		
Payment of grants		
University of Saskatchewan	39,849,217	91,490,000
University of Regina	14,647,998	33,809,000
Debt servicing	345,000	690,000
	54,842,215	125,989,000
General administration (Schedule 1)	245,823	647,608
Capital expenditure	-	20,905
Planning studies	7,106	45,976
	55,095,144	126,703,489
Net (expenditure) income before extraordinary item	(147,984)	35,128
Extraordinary items (Note 8)	(121,452)	-
Net (expenditure) income to Statement 4	$ (269,436)	$ 35,128

(See accompanying notes to financial statements)

Statement 7

SASKATCHEWAN UNIVERSITIES COMMISSION

DEBT SERVICE AND SINKING FUND

STATEMENT OF CHANGES IN FUNDS (Note 1)

	For the Four Month Period Ended August 1, 1983	For the Year Ended March 31, 1983
Source of Funds		
Government grant	$345,000	$ 690,000
Interest	181,494	504,459
Debt recoveries	82,252	285,549
Discount on investment purchases	-	19,578
	608,746	1,499,586
Application of Funds		
Interest	239,066	713,671
Administration fee	6,582	19,746
Repayment of debt capital	14,383	27,696
Transfers to debenture sinking fund	240,930	633,154
Increase in equity in Provincial sinking funds	16,620	93,205
	517,581	1,487,472
Excess of funds to Statement 5	$ 91,165	$ 12,114

(See accompanying notes to financial statements)

SASKATCHEWAN UNIVERSITIES COMMISSION

NOTES TO FINANCIAL STATEMENTS

August 1, 1983

1. Status of the Commission

On July 1, 1974 The Saskatchewan Universities Commission was incorporated as a Crown Agency under The Universities Commission Act, 1974, with certain powers in respect to the universities in the Province.

On August 1, 1983 The Universities Commission Repeal Act came into force and on this date, in accordance with Sections 6 (1) and 8 of the aforementioned Act, all assets were transferred to and vested in, and all liabilities assumed by, her Majesty in the right of Saskatchewan.

2. Summary of Significant Accounting Policies and Reporting Practices

(i) The following significant accounting policies were adopted until the close of business on July 31, 1983.

(a) Accrual Accounting

In accordance with generally accepted accounting principles, the Commission utilized the accrual basis of accounting except as noted in note 2(i)(c).

(b) Investments

Investments in the Sinking Fund were recorded at par value with any difference between par value and cost included in (or deducted from) revenue of the Sinking Fund in the year of acquisition.

Other investments consisted of short-term deposits and were recorded at cost, which approximated their market value.

(c) Fixed Assets

The Commission followed the policy of charging to current period's expenditure the full cost of fixed assets purchased during the period. The cost of all fixed assets owned was shown in the balance sheet and no depreciation was recorded.

(d) Unamortized Debenture Discount

The original issuing costs and discount of the Sinking Fund Debentures were being amortized on a straight-line basis over the 30-year term of the issue.

(ii) Following the repeal of The Saskatchewan Universities Commission, as explained in Note 1 above, the Commission had no assets or liabilities as at August 1, 1983.

3. Sinking Fund Debentures

These consisted of a $4,000,000, 30-year issue at 5 1/4% maturing on 1 April 1993 and a $4,000,000, 30-year issue at 5 1/2% maturing on 1 October 1995. Both issues were unconditionally guaranteed as to principal and interest by the Province of Saskatchewan.

4. Canada Mortgage and Housing Corporation Debenture

This amount represented the outstanding principal balance due on a $2,744,000, 5 1/8% loan borrowed in 1965. This loan was repayable in equal semi-annual instalments of blended principal and interest over 50 years totalling $152,799 per annum.

Of the original loan, $600,000 was to be recovered from the residence and food service operations of the University of Saskatchewan at the rate of $33,410 per annum.

5. Provincial Government Loan

This consisted of a $1,740,000, 9.14%, 20-year loan from the Province of Saskatchewan due 5 January 1996, less the offsetting equity in a government administered sinking fund of $427,897 (1983 - $411,276).

The proceeds of this loan were in turn lent under the same terms and conditions to the University of Saskatchewan for the construction of a student residence.

6. Debenture Sinking Fund

Included in this fund was an amount of $1,734,219 (1983 - $1,612,452) which was a surplus to the projected earnings needed to retire the debenture loan on maturity.

7. Long-Term Lease

The Commission had a ten-year lease on premises terminating in August, 1985, at an annual rent of $60,900 (plus any applicable increase in operating costs and taxes) with an option to renew for a further five years under similar terms. At close of business, this lease was assigned to Saskatchewan Department of Supply and Services.

8. Extraordinary Items

Extraordinary items comprise the following:

(a) In accordance with the Severance Policy of the Commission, as amended on May 13, 1983, the employees of the Commission were paid, on termination of employment, severance payments amounting to: $(263,981)

(b) In accordance with the instructions from the Commission, as issued on May 13, 1983, the Saskatchewan Universities Commission Employees' Pension Plan was terminated on June 30, 1983. Having distributed the assets, in accordance with the resolution of the Commission issued on July 8, 1983, the balance remaining in the Pension Fund was returned to the Commission, amounting to:

	142,529
	$(121,452)

9. Dissolution of the Commission

As explained in Note 1 above, at close of business, the assets were transferred, the liabilities and the deficit explained below were assumed by the Crown. The deficit was made up of:

Debt service and Sinking Fund deficit	$(4,507,391)
Operating fund surplus	308
Equity in fixed assets	54,718
Net deficit assumed	$(4,452,365)

The deficit is represented by:	
Operating Fund	
- cash	$ 308
- fixed assets	54,718
Debt service and Sinking Fund	
- cash	285
- short term investments and accrued interest	95,421
- long term receivables from University of Saskatchewan	1,838,105
- unamortized debenture discount	84,392
- debenture Sinking Fund	5,372,872
	7,446,101
Total liabilities assumed	(180,579)
Excess of assets over liabilities	7,265,522
Transfer of long term debt	
Sinking Fund debentures	(8,000,000)
CMHC debenture	(2,405,784)
Provincial government loan	(1,312,103)
Deficit assumed on dissolution	$(4,452,365)

Schedule 1

SASKATCHEWAN UNIVERSITIES COMMISSION

SCHEDULE OF GENERAL ADMINISTRATIVE EXPENDITURES (Note 1)

	For the Four Month Period Ended August 1, 1983	For the Year Ended March 31, 1983
Salaries	$194,805	$454,476
Employee benefits	15,524	57,469
Office and miscellaneous expense	5,305	29,936
Rent	17,753	67,414
Travel	2,615	19,811
Professional fees	9,121	10,052
Commissioners' honoraria	700	8,450
Total to Statement 6	$245,823	$647,608

SASKATCHEWAN UNIVERSITIES COMMISSION

EMPLOYEES' PENSION FUND

FINANCIAL STATEMENTS

For the Seven Month Period Ended August 2, 1983

OFFICE OF THE PROVINCIAL AUDITOR

REGINA, SASKATCHEWAN

AUDITOR'S REPORT

To the Trustees of the Saskatchewan Universities Commission Employees' Pension Fund

I have examined the balance sheet of the Saskatchewan Universities Commission Employees' Pension Fund as at August 2, 1983 and the statements of fund balance and receipts and payments for the period then ended. My examininations was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the pension fund as at August 2, 1983 and the results of its operations for the period then ended in accordance with stated accounting policies applied on a basis consistent with that of the preceding year.

W. G. Lutz

Regina, Saskatchewan,
January 5, 1984.

W. G. Lutz, F.C.A.,
Provincial Auditor.

Statement 1

SASKATCHEWAN UNIVERSITIES COMMISSION

EMPLOYEES' PENSION FUND

BALANCE SHEET (Note 1)

As at August 2, 1983

ASSETS

	August 2 1983	December 31 1982
Cash	$ -	$ 31
Investments (Notes 2(a) and 6)		
Bond Fund	-	277,417
Equity Fund	-	228,100
	$ -	$505,548

LIABILITIES

Fund balance (Statement 2)	$ -	$505,548

(See accompanying notes to the financial statements)

Statement 2

SASKATCHEWAN UNIVERSITIES COMMISSION

EMPLOYEES' PENSION FUND

STATEMENT OF FUND BALANCE (Note 1)

	For the Seven Month Period Ended August 2, 1983	For the Year Ended December 31, 1982
Fund balance, beginning of year	$505,548	$350,712
Add:		
Contributions		
Saskatchewan Universities Commission	19,032	35,814
Employees	14,004	26,353
Interest on short term deposits	6,218	2,108
Increase in net asset value of investments (Note 7)	68,414	90,579
	107,668	154,854
Deduct:		
Purchase of Annuity	104,067	-
Refund of Pension Contributions	509,138	-
Bank charges	11	18
	613,216	18
Fund balance, end of period (Statement 1)	$ -	$505,548

(See accompanying notes to the financial statements)

Statement 3

SASKATCHEWAN UNIVERSITIES COMMISSION

EMPLOYEES' PENSION FUND

STATEMENT OF RECEIPTS AND PAYMENTS (Note 1)

	For the Seven Month Period Ended August 2, 1983	For the Year Ended December 31, 1982
Receipts:		
Contributions		
Saskatchewan Universities Commission	$ 19,032	$35,814
Employees	14,004	26,353
Investment earnings		
Interest on short term deposits	6,218	2,108
Proceeds from sale of units in equity fund and bond fund	595,205	-
	634,459	64,275
Payments:		
Pension refunds - employees (Note 5)	366,609	-
- Commission (Note 5)	142,529	-
Administration		
Bank charges	11	18
Investment in		
Bond Fund	6,389	19,294
Equity Fund	14,884	44,971
Purchase of Annuity	104,068	-
	634,490	64,283
(Deficit)	(31)	(8)
Cash in bank, begining of year	31	35
Cash held by investment agent	-	4
Cash, end of period	$ -	$ 31

(See accompanying notes to the financial statements)

SASKATCHEWAN UNIVERSITIES COMMISSION

EMPLOYEES' PENSION FUND

NOTES TO FINANCIAL STATEMENTS

August 2, 1983

1. Status of Fund

The Universities Commission Repeal Act was passed on April 29, 1983 and came into force on August 1, 1983. The Universities Commission then, on May 13, 1983, authorized the winding up and liquidation of The Universities Commission Pension fund and authorized the pension plan administrator to proceed with a wind-up valuation of the plan effective June 30, 1983. All investments of the pension fund were liquidated on May 19, 1983 and as of August 2, 1983 all funds had been disbursed in accordance with the terms of the pension plan and with the approval of the Superintendent of Pensions.

2. Significant Accounting Policies

(a) Investments

Investments were stated at their net asset value. Net asset value represented the multiple of net asset value per unit, as calculated by the investment counsellor, and the total number of units held.

The increases or decreases in the value of investments were shown as the increases or decreases of the fund balance.

(b) Liabilities

When a liability to pay a pension to a retired employee was satisfied by the purchase of an Annuity, the total cost of the Annuity was charged against the fund balance in the year of purchase.

(c) Cost of Administration and Professional Services

Cost of administration and professional services, except for bank charges, were paid for by the Saskatchewan Universities Commission and have not been charged or provided for in these financial statements.

3. Description of the Fund

The Saskatchewan Universities Commission Employees' Pension Fund came into effect January 1, 1975. The basic purpose of the Fund was to provide certain retirement and related benefits for and on behalf of all the eligible employees who become members on or after the above date.

4. Administration of the Fund

As at June 30, 1980 the administration of the Fund was assumed by a Trustee comprising of three employees of the Universities Commission and one independent individual. Under an agreement entered into between the Commission and the Trustee, the Trustee was empowered to hold, invest and administer the Fund.

At a meeting held on June 17, 1980, the Commission also appointed Phillips, Hager and North Ltd. as agents to manage the assets of the Fund. During the period, the investments of the Fund consisted of units in the investment agent's "Bond Fund", a fixed income fund and the agent's "Pooled Pension Trust", an equity fund. Periodically the agent declared dividends on both funds and paid the dividends in the form of additional shares in the funds.

5. Wind-up Actuarial Report

The wind-up actuarial study of the pension fund indicated a surplus of $142,533.34 in the fund after payment of authorized amounts of $366,609 to all employees and the purchase of one annuity for the employee electing early retirement. This amount less expenses of $4.65 was paid over to the Commission in July, 1983.

6. Investments (at date of liquidation - May 19, 1983)

	Bond Fund			Equity Fund		
	Unit Value	#	Value	Unit Value	#	Value
At market value						
At May 19, 1983	$9.19	32,747	$300,945	$37.74	7,797	$294,256
At December 31, 1982	$8.94	31,031	$277,417	$30.98	7,363	$228,100

7. Increase in Net Asset Value of Investments (to May 19, 1983)

	1983	1982
Bond Fund	$17,144	$71,690
Equity Fund	51,270	18,889
	$68,414	$90,579